

Message Text

CONFIDENTIAL

PAGE 01 ISLAMA 03122 020517Z

21 11

ACTION NEA-06

INFO OCT-01 SS-14 ISO-00 EUR-10 AF-04 NSC-07 CIAE-00

INR-10 NSAE-00 RSC-01 NSCE-00 AID-10 COME-00 TRSE-00

FEA-01 SCI-03 INT-01 H-01 L-02 DODE-00 PRS-01 DRC-01

/073 W

----- 046334

R 011203Z APR 74

FM AMEMBASSY ISLAMABAD

TO SECSTATE WASHDC 4020

INFO AMEMBASSY JIDDA

AMEMBASSY LONDON

AMEMBASSY TEHRAN

AMEMBASSY TRIPOLI

AMEMBASSY NEW DELHI

C O N F I D E N T I A L ISLAMABAD 3122

LIMDIS

E.O. 11652: GDS

TAGS: PFOR, ENRG, PI, IR, LY

SUBJ: FOREIGN SECRETARY ON BHUTTO'S MEETING WITH THE SHAH

1. FOREIGN SECRETARY AGHA SHAHI ASKED THAT I CALL TODAY, AND IN ADDITION TO SPECIFIC MATTERS OF LOCAL INTEREST, GAVE ME BRIEF RUNDOWN ON BHUTTO'S VISIT WITH THE SHAH. HE SAID HE WAS NOT CERTAIN THAT HE HAD ALL THE DETAILS, AS BHUTTO AND THE SHAH HAD BEEN ALONE TOGETHER FOR SOME 4-1/2 HOURS. HOWEVER, IN ADDITION TO COMMUNIQUE, HE COULD RELAY SOME ADDITIONAL INFORMATION.

2. SHAHI SAID HE THOUGHT THE TALKS HAD GONE WELL, EVEN THOUGH INITIALLY THE SHAH HAD BEEN "HOT UNDER THE COLLAR" OVER TREATMENT RECEIVED HERE RECENTLY BY QADHAFI OF LIBYA. BHUTTO HAD EXPLAINED THAT HE HAD BEEN IN SOMEWHAT AWKWARD POSITION AS REGARDS PUBLICITY QADHAFI RECEIVED HERE. HE
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 ISLAMA 03122 020517Z

SAID, HOWEVER, THAT QADHAFI WAS REPAYING A STATE VISIT

THAT HE (BHUTTO) MADE TO LIBYA WHILE HE WAS STILL PRESIDENT. AT THAT TIME QADHAFI HAD VOLUNTEERED TO LET BHUTTO SPEAK AT A MASS PUBLIC MEETING. HE SAID THAT QADHAFI HAD MADE A SPECIFIC REQUEST THAT THIS COURTESY BE RETURNED IN KIND AND HE HAD NOT FELT HE COULD POINTEDLY TURN HIM DOWN. HE DID ADD, HOWEVER, THAT HIS GOVERNMENT HAD MADE NO EFFORT TO ASSEMBLE CROWDS FOR QADHAFI, BUT THIS CAUSED SLIGHT DIMINUTION OF THE CROWD, AS QADHAFI HAD A WAY OF APPEALING TO THE MASSES. BHUTTO SAID HE HAD ALSO, IN VIEW OF PAKISTAN'S NEEDS, HOPED THAT SPECIFIC FINANCIAL OR ECONOMIC ASSISTANCE MIGHT BE OBTAINED BY BEING NICE TO QADHAFI. THE SHAH HAD THEN LET THE MATTER DROP WITH THE REMARK THAT HE DID NOT BLAME BHUTTO FOR THAT - AND IT WOULD BE BETTER ANYWAY IF QADHAFI SPENT HIS MONEY CONSTRUCTIVELY INSTEAD OF THE TYPE OF DESTRUCTIVE THINGS HE IS INCLINED TO FINANCE THROUGHTOUT THE WORLD.

3. SHAHI SAID AS IT APPEARED THAT SOME ECONOMIC BENEFITS WOULD ACCRUE TO PAKISTAN AS A RESULT OF THE VISIT. HE WAS SPEAKING PRIMARILY OF REMARKS THAT THE SHAH HAD MADE TO ALL PRESENT IN THE LARGER MEETING THAT FOLLOWED THE PRIVATE TALKS WITH BHUTTO. HE SAID IT WAS HIS IMPRESSION THAT DETAILS ON MOST THINGS STILL HAD TO BE WORKED OUT, BUT THAT THE GENERAL APPROACH SEEMED CLEAR. THE SHAH HAD EXPRESSED HIS OWN DEEP PERSONAL ATTACHMENT TO THE CONCEPT OF RETAINING THE CLOSEST POSSIBLE TIES WITH PAKISTAN. HE SAID HE KNEW THE RISE IN PRICES OF OIL WAS CAUSING PAKISTAN CONSIDERABLE HARDSHIP. HE, THEREFORE, SAID THAT HE WAS WILLING TO MAKE A LOAN AT 2-1/2 PERCENT INTEREST TO PAKISTAN (SHAHI THOUGHT FOR FIVE YEARS) TO OFFSET PAKISTAN'S LOSS DUE TO HIGHER OIL PRICES. THE PERIOD MENTIONED WAS FOR ONE YEAR, BUT I WAS LEFT UNCERTAIN AS TO JUST WHEN THE YEAR STARTED OR WAS SCHEDULED TO START. HE SAID THE SHAH HAD ALSO EXPRESSED AN INTEREST IN COOPERATION WITH PAKISTAN ON SPECIFIC ECONOMIC DEVELOPMENT PROJECTS.

4. ALTHOUGH THE ABOVE IS VERY SKETCHY, IT WOULD APPEAR FROM THIS THAT PAKISTAN DID NOT RECEIVE AS FAVORABLE A DEAL ON OIL AS INDIA HAS FROM IRAN. I CANNOT, OF COURSE, KNOW WHETHER BHUTTO EVEN TRIED, AND PERHAPS THE CONVERSATIONS DID NOT EVEN CONFIDENTIAL

CONFIDENTIAL

PAGE 03 ISLAMA 03122 020517Z

COVER THE QUESTION OF PRICE OF OIL IN THE FUTURE. I WOULD NOT WANT TO CONCLUDE FROM THIS, HOWEVER, THAT THE TALKS DID NOT GO WELL. SHAHI DESCRIBED THE ATMOSPHERE AS BEING OBVIOUSLY QUITE GOOD, AND STATED HE THOUGHT THE VISIT WAS IMPORTANT TO UP-DATE PAKISTAN-IRANIAN DIALOGUE AT THE HIGHEST LEVEL.
BYROADE

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: Z
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: ECONOMIC ASSISTANCE, PETROLEUM, FOREIGN RELATIONS, HEAD OF GOVERNMENT VISITS, DIPLOMATIC DISCUSSIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 01 APR 1974
Decaption Date: 28 MAY 2004
Decaption Note: 25 YEAR REVIEW
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: GolinoFR
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974ISLAMA03122
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D740072-0916
From: ISLAMABAD
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740478/aaaactoc.tel
Line Count: 114
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION NEA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: LIMDIS
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators:
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: LIMDIS
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: GolinoFR
Review Comment: n/a
Review Content Flags:
Review Date: 18 APR 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <18 APR 2002 by boyleja>; APPROVED <20 FEB 2003 by GolinoFR>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: FOREIGN SECRETARY ON BHUTTO'S MEETING WITH THE SHAH
TAGS: PFOR, PK, IR, (BHUTTO, ALI)
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005